

**SENATE BILL 358 (LRB -3626)**

An Act to create 100.305 of the statutes; relating to: sales of consumer goods and services during periods of abnormal economic disruption, requiring the exercise of rule-making authority, and providing a penalty. (FE)

**2005**

- 10-18. S. Introduced by Senators **Kedzie, Schultz, Olsen and Brown**; cosponsored by Representatives **Gronemus, Towns, Lothian, Ott, Hines, Musser, Petrowski, Owens, Hahn, Kerkman, Gunderson, M. Williams, Bies, Nerison and Kreibich.**
- 10-04. S. Read first time and referred to committee on Job Creation, Economic Development and Consumer Affairs ..... 386
- 10-18. S. Fiscal estimate received.

**2006**

- 04-25. S. Withdrawn from committee on Job Creation, Economic Development and Consumer Affairs and rereferred to committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform, pursuant to Senate Rule 46 (2)(c) ..... 782
- 04-26. S. Public hearing held.
- 05-01. S. Senate amendment 1 offered by Senator Brown (**LRB a3108**).
- 05-01. S. Executive action taken.
- 05-02. S. Report adoption of Senate Amendment 1 recommended by committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform, Ayes 5, Noes 0.
- 05-02. S. Report passage as amended recommended by committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform, Ayes 5, Noes 0.
- 05-02. S. Available for scheduling.
- 05-02. S. Referred to joint committee on Finance, pursuant to Senate Rule 41 (1)(e), by committee on Senate Organization, Ayes 5, Noes 0.
- 05-02. S. Withdrawn from joint committee on Finance and placed on the calendar of 5-3-2006 by committee on Senate Organization, pursuant to Senate Rule 41 (1)(e), Ayes 5, Noes 0.
- 05-03. S. Read a second time.
- 05-03. S. Senate substitute amendment 1 offered by Senators Hansen, Robson, Carpenter, Plale, Miller, Wirch, Lassa, Taylor and Erpenbach (**LRB s0743**).
- 05-03. S. Senate substitute amendment 1 laid on table, Ayes 20, Noes 12.
- 05-03. S. Senate amendment 1 **adopted**.
- 05-03. S. Senate amendment 2 offered by Senator Decker (**LRB a2992**).
- 05-03. S. Point of order that Senate amendment 2 not germane well taken.
- 05-03. S. Ordered to a third reading.
- 05-03. S. Rules suspended.
- 05-03. S. Read a third time and **passed**, Ayes 31, Noes 1.
- 05-03. S. Ordered immediately messaged.
- 05-04. A. Received from Senate.
- 05-04. A. Read first time and referred to committee on Rules.
- 05-04. A. Rules suspended to withdraw from committee on Rules and take up.
- 05-04. A. Assembly substitute amendment 1 offered by Representative Zepnick (**LRB s0755**).
- 05-04. A. Assembly substitute amendment 1 laid on table, Ayes 53, Noes 38.
- 05-04. A. Ordered to a third reading.
- 05-04. A. Rules suspended.
- 05-04. A. Read a third time and **concurred in**, Ayes 91, Noes 0.
- 05-04. A. Ordered immediately messaged.
- 05-05. S. Received from Assembly concurred in.

# 2005 ENROLLED BILL

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## ADOPTED DOCUMENTS:

☒ Orig    ☐ Engr          SubAmdt      

05 3626/1

Amendments to above (if none, write "NONE"): SA1 — a 3108/1

Corrections - show date (if none, write "NONE"): None

Topic Rel

5-8-06

Date

JR Miller

Enrolling Drafter

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## 2005 SENATE BILL 358

October 4, 2005 - Introduced by Senators KEDZIE, SCHULTZ, OLSEN and BROWN, cosponsored by Representatives GRONEMUS, TOWNS, LOTHIAN, OTT, HINES, MUSSER, PETROWSKI, OWENS, HAHN, KERKMAN, GUNDERSON, M. WILLIAMS, BIES, NERISON and KREIBICH. Referred to Committee on Job Creation, Economic Development and Consumer Affairs.

- 1     **AN ACT to create** 100.305 of the statutes; **relating to:** sales of consumer goods  
2             and services during periods of abnormal economic disruption, requiring the  
3             exercise of rule-making authority, and providing a penalty.

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### *Analysis by the Legislative Reference Bureau*

This bill prohibits the sale in this state of consumer goods and services at unreasonably excessive prices during a period of abnormal economic disruption caused by an emergency. Under the bill, an emergency includes a destructive act of nature, a hostile action, terrorism, or a disruption of energy supplies that poses a risk to the public's economic well-being, public health, or welfare. The prohibition is only in effect if the governor, by executive order, certifies that a period of abnormal economic disruption exists. The bill defines consumer goods and services to be those that are used primarily for personal, family, or household purposes. The prohibition applies to all wholesale and retail sales of consumer goods and services. Under the bill, the Department of Agriculture, Trade and Consumer Protection (DATCP) must promulgate rules to establish formulas or other standards to be used in identifying unreasonably excessive wholesale and retail prices.

For an initial violation of this prohibition, the bill requires that DATCP issue a warning notice instead of filing an action against the seller. If the seller fails to comply with the warning notice or subsequently violates the prohibition after receiving the notice, DATCP, or the Department of Justice (DOJ) after consulting with DATCP, may file a court action to enjoin the seller from violating the prohibition or to recover a forfeiture of not more than \$10,000, or DATCP or DOJ may seek both an injunction and a forfeiture.

**SENATE BILL 358**

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 100.305 of the statutes is created to read:

**100.305 Prohibited selling practices during periods of abnormal economic disruption.** (1) DEFINITIONS. In this section:

(a) "Consumer goods or services" means goods or services that are used primarily for personal, family, or household purposes.

(b) "Emergency" includes any of the following:

1. A tornado, flood, fire, storm, or other destructive act of nature.

2. A disruption of energy supplies to the degree that a serious risk is posed to the economic well-being, health, or welfare of the public.

3. Hostile action.

4. A strike or civil disorder.

(c) "Hostile action" means an act of violence against a person or property in the United States by a foreign power or by a terrorist.

INSERT S-1

(d) "Period of abnormal economic disruption" means a period of time during which normal business transactions in the state are disrupted, or are threatened to be disrupted, due to an emergency.

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(e) "Seller" means a manufacturer, supplier, wholesaler, distributor, or retailer.

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(2) PROHIBITION. No seller may sell, or offer to sell, in this state at wholesale or at retail, consumer goods or services at unreasonably excessive prices if the governor, by executive order, has certified that the state is in a period of abnormal economic disruption.

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# SENATE BILL 358

(3) RULES. The department shall promulgate rules to establish formulas or other standards to be used in determining whether a wholesale or retail price is unreasonably excessive.

—(4) **WARNING NOTICE.** If a person violates sub. (2), the department shall issue a warning notice to the seller. The warning notice shall specify the action that the seller is required to take in order to not be in violation of sub. (2).

(5) PENALTIES. If a warning notice under sub. (4) has been issued to a seller, and the seller either fails to take the required action that is specified in the notice or subsequently violates sub. (2), the department, or the department of justice after consulting with the department, may commence an action in the name of the state to do either or both of the following:

(a) Recover a civil forfeiture of not more than \$10,000 from the seller.

(b) Temporarily or permanently restrain or enjoin the seller from violating sub.

~~(2).~~

(END)

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**SENATE AMENDMENT 1,  
TO 2005 SENATE BILL 358**

May 1, 2006 - Offered by Senator BROWN.

1 At the locations indicated, amend the bill as follows:

2 1. Page 2, line 13: before "terrorist" insert "foreign or domestic".

3 2. Page 2, line 15: after "state" insert "or a part of the state".

4 3. Page 2, line 17: after "manufacturer," insert "producer".

5 4. Page 2, line 20: after "state" insert "or a part of the state".

6 5. Page 3, line 4: delete lines 4 to 14 and substitute:

7 "(4m) ENFORCEMENT; PENALTY. If a seller violates sub. (2), the department or,  
8 after consulting with the department, the department of justice, may do any of the  
9 following:

10 (a) Issue to the seller a warning notice specifying the action that the seller is  
11 required to take in order not to be in violation of sub. (2).

S-1

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5-5

1 (b) Commence an action against the seller in the name of the state to recover  
2 a civil forfeiture of not more \$10,000 or to temporarily or permanently restrain or  
3 enjoin the seller from violating sub. (2), or both."

4 (END)